

BACKGROUND

The Municipal Government Act enables a municipality to enforce its tax levies against land without the necessity of court proceedings. The Act outlines specific procedures the municipality must follow to enable it to take title to and sell the land against which a tax recovery notification has been registered. A tax recovery notification is endorsed on title at the request of the municipality when taxes are in arrears. (1)

REGISTRATION PROCEDURE

A. LISTS

1. Tax arrears lists and a copy (FORM A) must be prepared and forwarded to the Land Titles Office not later than March 31 of the year in question. (2) The postmark for a list must clearly indicate that it was forwarded by or on March 31, or other evidence must be obtained to substantiate any claim that it was forwarded in time.
2. Execution and attestation requirements for a corporation must be complied with.
3. A tax recovery notification is placed on each title affected as soon as possible after receipt of the list by the Registrar. (3) However, since all lists cannot be done immediately, a list should not be given a registration number and dated until it is worked on.
4. A request to add additional land to a tax arrears list is only acceptable if the request is under the seal of the municipality and is sent to the Land Titles Office no later than March 31 and prior to registration of the list.
5. If a deletion letter is received from the municipality prior to registration of the list, the appropriate legal description is crossed out and the letter or discharge is attached to the list.
6. The names and addresses of all parties to whom tax notices are sent (see below) are obtained from the title. If an address is not on the title, it is obtained from the appropriate document and the title is updated through the ALTA system.
7. A tax recovery notification is endorsed on the title showing the registration number and date given to the relevant tax arrears list and the name of the taxing authority. If a leasehold or life estate title has been issued, the tax recovery notification will also be registered against that title.

B. TAX RECOVERY NOTICES

1. Tax recovery notices (**FORM B**) are mailed to each of the following persons: **(4)**
 - a) Registered owners. If there is more than one registered owner, each owner is sent a notice.
 - b) Caveators (except where the caveat relates to an easement, environmental reserve easement, conservation easement, utility right of way, party wall agreement, roadway, restrictive covenant, zoning or any other caveat that is not regarding an encumbrance.
 - c) Holders of builders' liens.
 - d) Mortgagees and encumbrancees referred to in section 102 of the Land Titles Act (except mortgages of utility rights of way).
 - e) Secured parties who have filed security interest notices under the Personal Property Security Act.
 - f) Trustees in bankruptcy pursuant to registered receiving orders or assignments in bankruptcy or cautions or caveats re bankruptcy.
 - g) Writs of enforcement, maintenance orders (including decree nisi) and employment standard code orders.
 - h) Leases, caveats re leases and interests registered against leasehold titles.
 - i) Life estates, caveats re life estate and interests registered against life estate titles.
 - j) Caveats in respect of unpaid condominium fees. **(5)**

2. Tax recovery notices are not sent to persons having the following registered interests: **(6)**
 - a) Irrigation or drainage debentures.
 - b) Easements, conservation easements, environmental reserve easements, party wall agreements or utility rights of way, or caveats re these interests, or mortgages of utility rights of way.
 - c) Right of entry orders pursuant to the Surface Rights Act.
 - d) Restrictive covenants or caveats re restrictive covenants.
 - e) Caveats re roadway, zoning or planning.
 - f) Rural Electrification liens, **(7)** and liens under the Rural Utilities Act **(8)**
 - g) Transportation protection area notices endorsed pursuant to section 11 of the City Transportation Act **(9)**
 - h) Orders and certificates under the Dependent Adults Act.
 - i) Certificates of *lis Pendens*.
 - j) Orders and caveats re orders under the Environmental Protection and Enhancement Act **(10)**
 - k) Caveats re undermining and related conditions under section 694 of the Municipal Government Act.
 - l) Notice of health hazard. **(11)**
 - m) Caveats re New Home Buyer Protection Act (REUD) **(12)**

3. Notices must be mailed no later than August 1 of the year of registration of the tax arrears list. **(13)**

4. Notices to companies such as Canada Mortgage and Housing Corporation, Alberta Social Housing Corporation (formerly Alberta Mortgage and Housing Corporation and Alberta Home Mortgage Corporation and Alberta Housing Corporation), Agriculture Financial Services Corporation (formerly Alberta Agricultural Development Corporation) and Farm Credit Corporation are retained and sent in one envelope or box. However, notices to ATB Financial are sent to the individual branch listed on the mortgage and not to its head office.

5. One of the two copies of the tax arrears list submitted by the municipality should be stamped with the certification stamp and returned to the municipality with a statement of the cost's payable to the Land Titles Office by the municipality and a computer-generated hardcopy of the list. (14)

The SPIN2 document type to be used when creating a Document Registration Request (DRR) form is: Tax Arrears List

The code used for registration at Land Titles is: TAAL

STATUTE AND CASE REFERENCES

Statute references are to the Municipal Government Act, S.A. 2000, c. M-26, unless otherwise indicated.

1. s. 413(1)
2. s. 412(1)
3. s. 413(1)
4. s. 417
5. s. 423(1)(b.1); s. 39(12), Condominium Property Act, R.S.A. 2000, c. C-22
6. s. 423; s. 61(2), Land Titles Act
7. s. 424(3)(f) and (g), 428.2(4)(f) and (g) and 443(f) and (g); s. 21(6), Rural Electrification Long Term Financing Act, R.S.A. 2000, c. R-20 and s. 20(6), Rural Electrification Loan Act, R.S.A. 2000, c. R-19
8. s. 423(e); s. 38(7), Rural Utilities Act, R.S.A. 2000, c. R-21
9. s. 61(2)(e), Land Titles Act
10. s. 224(4), Environmental Protection and Enhancement Act, R.S.A. 2000, c. E-12
11. s. 64(2), Public Health Act, R.S.A. 2000, c. P-37
12. s. 3.1(6), New Home Buyer Protection Act, R.S.A. 2012, c. N-3.2
13. s. 417(1)
14. s. 413(2)